



REBNY Report: N.Y.C.'s Residential Sales Market Values Hit Six-Year High in 3rd Quarter of 2013

October 28, 2013 - New York City

New York City's residential sales market witnessed a six year-high in sales values, or total consideration, in the third quarter as rising interest rates on mortgages and increased competition continued to encourage buyers to act briskly and decisively.

Total consideration, the total dollar value of all home sales in the five boroughs, was \$11.3 billion in the third quarter, an increase of 32% compared to the third quarter of last year and up 38% from the last quarter, according to the Real Estate Board of New York's (REBNY) Third Quarter New York City Residential Sales Report.

The third quarter marked the highest total residential sales consideration New York City has recorded since 2007.

Manhattan's total consideration was \$6.6 billion last quarter, an increase of 30% from the third quarter last year and 38% from the second quarter. Brooklyn, with the second highest total for the boroughs, had \$2.2 billion in total consideration for residential sales, 31% higher than the third quarter of last year and 43% greater than last quarter.

The rise in sales values appears to be the result of mortgage rates creeping up through the quarter and uncertainty about their future direction. Also, residential rents, which continue to be high, show no sign of receding, making a stronger case for home ownership.

"With uncertainty in the mortgage markets, buyers now have to become more firm in their decision to buy," said Steven Spinola, president of REBNY. "Mortgage rates are still near historical lows, so the attractiveness of buying should remain into the next quarter."

Citywide home sales volume for all homes (which includes cooperatives, condominiums and one-to-three-family dwellings) increased 28% to 14,073 transactions compared to last year. The median sales price of a home citywide increased four% from the third quarter last year and the previous quarter to \$515,000. The average sales price rose three% citywide in the third quarter to \$806,000.

This was also the second consecutive quarter where increased activity in the market was not focused only in the Manhattan apartment market and prime Brooklyn areas. Sales in both Brooklyn and Queens for one-to-three family dwellings were at post-recession highs of 1,888 and 2,409 respectively.

Apartment sales were particularly strong in certain neighborhoods of the city that offer a wider variety of inventory in terms of design, style and price. For instance, the average sales price of a cooperative unit on the Upper East Side during the third quarter increased eight% to \$1.5 million compared to the third quarter last year and the number of sales in the neighborhood increased a whopping 44% over the same period to 778.

In Flushing, Queens, the number of condo sales more than doubled to 192 in the third quarter

compared to last year and the average price for a condo rose 14% to \$508,000 during the same period.

Sales of homes over \$10 million increased from 22 in the previous quarter and 27 in the third quarter of 2012 to 34 this quarter.

REBNY's Third Quarter 2013 Residential Sales by Neighborhood:

* Manhattan neighborhoods with the most home sales this quarter were: the Upper East Side (1,075 sales), the Upper West Side (840), Midtown East (358), Midtown West (311), Gramercy/Kips Bay (283) and Chelsea/Flatiron (279).

* Brooklyn residential home sales activity was focused in Bedford Stuyvesant (250), Park Slope (230), East New York/Spring Creek (167), Gravesend/Mapleton (165), Bay Ridge/Fort Hamilton (157), and Bushwick/Wyckoff Heights (139).

* Queens neighborhoods with the most home sales were: Flushing (539), Rego Park/Forest Hills/Kew Gardens (463), Jackson Heights/Elmhurst (286) and Richmond Hill/South Ozone Park/Woodhaven (286).

* Bronx neighborhoods with the most residential home sales this quarter were Riverdale/Fieldston(132), Parkchester/Westchester Square/Castle Hill/Soundview (110 sales), City Island/Pelham Bay/Pelham Strip/Country Club/Throgs Neck/Schuylerville (98), and Woodlawn/Williamsbridge (84).

REBNY's report is the most comprehensive quarterly review of recorded transactions and includes data from all five boroughs.

For the full report visit www.rebny.com or REBNY's exclusive home listings web site, NY1Residential.com.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540